

# COMMITTEE REPORT

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## MR. PRESIDENT:

**The Senate Committee on Finance, to which was referred House Bill No. 1714, has had the same under consideration and begs leave to report the same back to the Senate with the recommendation that said bill be AMENDED as follows:**

- 1           Page 7, between lines 39 and 40, begin a new paragraph and insert:  
2           "SECTION 3. IC 6-1.1-12.1-5, AS AMENDED BY P.L.90-2002,  
3           SECTION 122, IS AMENDED TO READ AS FOLLOWS  
4           [EFFECTIVE JULY 1, 2003.]: Sec. 5. (a) A property owner who  
5           desires to obtain the deduction provided by section 3 of this chapter  
6           must file a certified deduction application, on forms prescribed by the  
7           department of local government finance, with the auditor of the county  
8           in which the property is located. Except as otherwise provided in  
9           subsection (b) or (e), the deduction application must be filed before  
10          May 10 of the year in which the addition to assessed valuation is made.  
11          (b) If notice of the addition to assessed valuation or new assessment  
12          for any year is not given to the property owner before April 10 of that  
13          year, the deduction application required by this section may be filed not  
14          later than thirty (30) days after the date such a notice is mailed to the  
15          property owner at the address shown on the records of the township  
16          assessor.  
17          (c) The deduction application required by this section must contain  
18          the following information:  
19                  (1) The name of the property owner.  
20                  (2) A description of the property for which a deduction is claimed  
21                  in sufficient detail to afford identification.

(3) The assessed value of the improvements before rehabilitation.

(4) The increase in the assessed value of improvements resulting from the rehabilitation.

(5) The assessed value of the new structure in the case of redevelopment.

(6) The amount of the deduction claimed for the first year of the deduction.

(7) If the deduction application is for a deduction in a residentially distressed area, the assessed value of the improvement or new structure for which the deduction is claimed.

(d) A deduction application filed under subsection (a) or (b) is applicable for the year in which the addition to assessed value or assessment of a new structure is made and in the following years the deduction is allowed without any additional deduction application being filed. However, property owners who had an area designated an urban development area pursuant to a deduction application filed prior to January 1, 1979, are only entitled to a deduction for a five (5) year period. In addition, property owners who are entitled to a deduction under this chapter pursuant to a deduction application filed after December 31, 1978, and before January 1, 1986, are entitled to a deduction for a ten (10) year period.

(e) A property owner who desires to obtain the deduction provided by section 3 of this chapter but who has failed to file a deduction application within the dates prescribed in subsection (a) or (b) may file a deduction application between March 1 and May 10 of a subsequent year which shall be applicable for the year filed and the subsequent years without any additional deduction application being filed for the amounts of the deduction which would be applicable to such years pursuant to section 4 of this chapter if such a deduction application had been filed in accordance with subsection (a) or (b).

~~(f) On verification of the correctness of a deduction application by the assessor of the township in which the property is located;~~ **Subject to subsection (i),** the county auditor shall act as follows:

(1) If a determination about the number of years the deduction is allowed has been made in the resolution adopted under section 2.5 of this chapter, the county auditor shall make the appropriate deduction.

(2) If a determination about the number of years the deduction is allowed has not been made in the resolution adopted under section 2.5 of this chapter, the county auditor shall send a copy of the deduction application to the designating body. Upon receipt of the resolution stating the number of years the deduction will be

1 allowed, the county auditor shall make the appropriate deduction.

2 (3) If the deduction application is for rehabilitation or  
3 redevelopment in a residentially distressed area, the county  
4 auditor shall make the appropriate deduction.

5 (g) The amount and period of the deduction provided for property  
6 by section 3 of this chapter are not affected by a change in the  
7 ownership of the property if the new owner of the property:

8 (1) continues to use the property in compliance with any  
9 standards established under section 2(g) of this chapter; and

10 (2) files an application in the manner provided by subsection (e).

11 (h) The township assessor shall include a notice of the deadlines for  
12 filing a deduction application under subsections (a) and (b) with each  
13 notice to a property owner of an addition to assessed value or of a new  
14 assessment.

15 **(i) Before the county auditor acts under subsection (f), the**  
16 **county auditor may request that the township assessor in which the**  
17 **property is located review the deduction application.**

18 **(j) A property owner may appeal the determination of the**  
19 **county auditor under subsection (f) by filing a complaint in the**  
20 **office of the clerk of the circuit or superior court not more than**  
21 **forty-five (45) days after the county auditor gives the person notice**  
22 **of the determination."**

23 Page 8, line 39, delete "On verification of the correctness of a  
24 deduction application" and insert "**Subject to subsection (i),**".

25 Page 8, line 40, delete "by the assessor of the township in which the  
26 property is located,".

27 Page 9, line 28, delete "court." and insert "**court not more than**  
28 **forty-five (45) days after the county auditor gives the person notice**  
29 **of the determination."**

30 Page 9, line 29, reset in roman "(i)".

31 Page 9, line 33, after "determination." insert "**Before the county**  
32 **auditor acts under subsection (e), the county auditor may request**  
33 **that the township assessor in which the property is located review**  
34 **the deduction application."**

35 Page 20, line 27, delete "court." and insert "**court not more than**  
36 **forty-five (45) days after the county auditor gives the person notice**  
37 **of the determination."**

38 Page 21, line 3, delete "five hundred thousand" and insert "**one**  
39 **million**".

40 Page 21, line 4, delete "(\$500,000);" and insert "**(\$1,000,000);**".

41 Page 21, line 10, delete "five hundred thousand" and insert "**one**  
42 **million**".

- 1 Page 21, line 10, delete "(\$500,000)." and insert "**(\$1,000,000).**".
- 2 Page 23, line 20, delete "to:" and insert "**to establish procedures**
- 3 **for the conduct of proceedings before the Indiana board under this**
- 4 **article, including procedures for:**
- 5 (1) prehearing conferences;
- 6 (2) hearings;
- 7 (3) **allowing the Indiana board, upon agreement of all parties**
- 8 **to the proceeding, to determine that a petition does not**
- 9 **require a hearing because it presents substantially the same**
- 10 **issue that was decided in a prior Indiana board**
- 11 **determination;**
- 12 (4) **voluntary arbitration;**
- 13 (5) **voluntary mediation;**
- 14 (6) **submission of an agreed record;**
- 15 (7) **upon agreement of all parties to the proceedings, joinder**
- 16 **of petitions concerning the same or similar issues; and**
- 17 (8) **small claims.**".
- 18 Page 23, delete lines 21 through 42.
- 19 Page 24, delete lines 1 through 7.
- 20 Page 24, line 8, delete "(a)(2)(M):" and insert "**(a)(8):**".
- 21 Page 24, line 36, delete "as amended by this act,".
- 22 Page 24, line 42, delete ", as amended by this act,".
- 23 Page 25, line 1, delete "forty" and insert "**fifty**".
- 24 Page 25, line 1, delete "(40%)" and insert "**(50%)**".
- 25 Page 25, line 9, delete "Fifty" and insert "**Forty**".
- 26 Page 25, line 9, delete "(50%)" and insert "**(40%)**".
- 27 Page 25, line 10, delete "arbitration" and insert "**state general**
- 28 **fund.**".

- 1 Page 25, delete lines 11 through 23.
- 2 Page 25, line 24, delete "(f)" and insert "(c)".
- 3 Renumber all SECTIONS consecutively.  
(Reference is to HB 1714 as printed February 28, 2003.)

**and when so amended that said bill do pass .**

Committee Vote: Yeas 15, Nays 0.

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**Senator Borst, Chairperson**